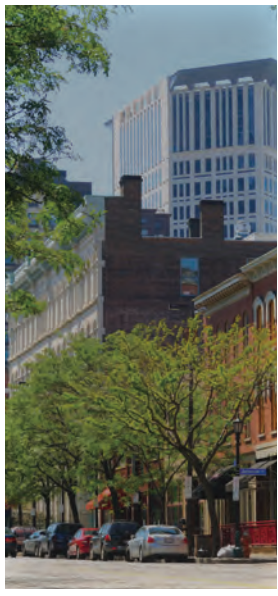


# The Investing in Manufacturing Communities Partnership



**T**he Investing in Manufacturing Communities Partnership (IMCP) is a new Administration-wide initiative that will accelerate the resurgence of manufacturing and help communities cultivate an environment for businesses to create well-paying manufacturing jobs in cities across the country.

Through the IMCP, the President is directing Federal agencies to provide coordinated assistance to manufacturing communities through a new partnership that will align Federal economic development resources and help U.S. localities make coordinated, long-term investments in their public goods in partnership with universities and industry. These investments will ultimately help regions become more attractive for manufacturers and supply chains. The Partnership will be led by the Commerce Department with support from other federal agencies.



Five to six U.S. communities in 2014 would be competitively selected as pilots, each receiving up to \$25 million from the Commerce Department's Economic Development Administration, in addition to funding from other government agencies. Federal agencies will also align and coordinate their funding opportunities to maximize the effectiveness of Federal expenditures and ensure that localities are able to more seamlessly access the Federal resources they need to fund strategies for attracting long-term business investment.

The IMCP is aimed at accelerating the nationwide resurgence in manufacturing investment driven by U.S. competitive advantages, such as new energy sources, productivity, and rising costs abroad. This initiative also represents a significant improvement in the way the federal government supports local economic development strategies.

## ***A new way to drive economic development and investment in the United States***

Smart companies decide where to locate facilities and hire workers based on the quality of a community's infrastructure, institutions, and human capital – its industrial ecosystem.

However, communities all too often rely on the practice of “smokestack chasing” to attract investment. That is, they offer subsidies and tax breaks to attract a single firm. Evidence shows that this approach results in a low return on taxpayer investment.

To capitalize on current U.S. economic strengths and maximize return on taxpayer investment, we must instead help communities launch strategic plans to strengthen their industrial ecosystems. They can do this by investing in the human and physical infrastructure that will appeal to and strengthen entire industries—thereby more effectively attracting, retaining, and expanding commercial activity. This is where the IMCP comes in.





The IMCP will support and reward communities that:

- **Recognize their comparative advantages** and develop implementation-ready plans.
- **Invest in public goods and** institutions through public and private funding.
- **Encourage community links** that reinforce and expand their commercial appeal to investors.

The IMCP, which is a part of President Obama's 2014 budget proposal, will also make it easier for well-coordinated communities to get public investment by radically improving the alignment of federal assistance. The program would coordinate multiple federal agencies, including the Departments of Agriculture, Labor, Transportation, Energy, and Defense—as well as the National Science Foundation, Environmental Protection Agency, and Small Business Administration.

By making the federal government work better and by boosting taxpayer returns, the IMCP will help communities create an environment for businesses to create good, well-paying manufacturing jobs—a key engine of innovation and overall economic growth.

## How it works

The IMCP will launch in four phases:

1. A consortium of federal agencies will hold 6-8 listening sessions throughout 2013, raising awareness around the country of the immediate grant opportunities, and seeking input on the 2014 pilot competition.
2. As many as 25 communities in 2013 will be awarded \$200,000 each to create so-called implementation strategies, which will initiate public-private partnerships tailored to local expertise and assets. Solicitations for the 2013 awards will be released in the coming weeks, and we expect making the awards by the fall.
3. The Fund would support five to six U.S. communities for competitively-selected awards in 2014, each receiving up to \$25 million from the Commerce Department's Economic Development Administration, and the Fund would be supplemented by funding from other government agencies.
4. Meanwhile, the Commerce Department will lead an interagency effort that aligns economic development programs across the government. This effort will bring together federal programs covering workforce training, technical assistance, specialized research and commercialization centers, infrastructure, and energy efficiency, among others.

## Next steps

In May, the government will solicit proposals for the initial Implementation Strategy grants. Awards will be issued by the end of September. Further information will be available at IMCP listening sessions, which will be announced in the near future.

